

CITY OF LODI, CALIFORNIA**RESOLUTION NO. 91-227****A RESOLUTION APPROVING, AUTHORIZING AND DIRECTING
EXECUTION OF CERTAIN INSTALLMENT SALE FINANCING
DOCUMENTS IN CONNECTION WITH THE OFFERING AND SALE OF
CERTIFICATES OF PARTICIPATION RELATING THERETO AND
DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO**

RESOLVED, by the City Council of the City of Lodi, California (the "City"):

WHEREAS, the City, working together with the Lodi Public Improvement Corporation (the "Corporation"), has caused Certificates of Participation (1988 Wastewater Treatment Plant Expansion Project) (the "Prior Certificates") to be executed and delivered in the aggregate principal amount of \$9,415,000, the proceeds of which were used to finance the construction of certain improvements to its municipal sewer system (the "Project");

WHEREAS, the City proposes to refinance the Project and it is in the public interest and for the public benefit that the City authorize and direct execution of the hereinafter defined Installment Sale Agreement and certain other financing documents in connection therewith;

WHEREAS, Seidler-Fitzgerald Public Finance (A Division of Seidler Amdec Securities Inc.) (the "Underwriter") has been directed to prepare a preliminary official statement containing information material to the offering and sale of the Certificates of Participation described below (the "Preliminary Official Statement"); and

WHEREAS, the documents below specified shall be filed with the City and the members of the City Council, with the aid of its staff, shall review said documents;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Certificates of Participation (1991 Wastewater Treatment Plant Expansion Refinancing Project) (the "1991 Certificates") are hereby authorized to be executed and delivered pursuant to the provisions of the Trust Agreement hereinafter defined; *provided, however*, the payments of principal and interest with respect to the 1991 Certificates shall create a present value savings in comparison to the payments of principal and interest with respect to the Prior Certificates of not less than \$900,000. The Mayor, the City Manager or the Finance Director is hereby authorized and directed to establish the principal amount of 1991 Certificates to be executed and delivered and to establish any other terms and provisions with respect to the 1991 Certificates, so long as such terms and provisions are substantially similar to the terms and provisions of the Prior Certificates.

Section 2. The Mayor, the City Manager or the Finance Director is hereby authorized and directed to have prepared, and to review upon preparation thereof, the below-enumerated documents, the review and execution thereof as herein provided being conclusive evidence of the approval of such documents by the City, and any one of the Mayor, the City Manager or the Finance Director is hereby authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such official, and the City Clerk is hereby authorized and directed to attest to such official's signature:

(a) an acquisition agreement, relating to the Project, between the City, as seller, and the Corporation, as purchaser;

(b) an installment sale agreement, relating to the Project, between the Corporation, as seller, and the City, as purchaser (the "Installment Sale Agreement");

(c) a trust agreement, by and among the Corporation, the City and an institution to be named therein, as trustee (the "Trust Agreement"), relating to the financing, and the execution and delivery of the 1991 Certificates evidencing the direct, undivided fractional interests of the owners thereof in installment payments to be made by the City under the Installment Sale Agreement; and

(d) an escrow trust and deposit agreement, by and between the City and the trustee for the Prior Certificates pursuant to which the Prior Certificates will be defeased.

Section 3. The City hereby approves the preparation of a Preliminary Official Statement describing the financing, together with any changes therein or additions thereto deemed advisable by the Mayor, the City Manager or the Finance Director. The City authorizes and directs the Finance Director, on behalf of the City, to deem "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") the Preliminary Official Statement prior to its distribution by the Underwriter.

Section 4. The Underwriter, on behalf of the City, is authorized and directed to cause the Preliminary Official Statement to be distributed to such investors and other persons as may be interested in purchasing the 1991 Certificates therein offered for sale if, in its judgment, such distribution would enhance the marketing of the 1991 Certificates.

Section 5. The Mayor, the City Manager or the Finance Director is hereby authorized and directed to have prepared, and to review upon preparation thereof, a contract of purchase, by and between the Underwriter and the City, pursuant to which the Underwriter agrees to purchase the 1991 Certificates, the review and execution thereof as herein provided being conclusive evidence of the approval of such contract of purchase hereby, and the Mayor, the City Manager or the Finance Director is hereby authorized and directed to execute said document, with such changes, insertions and omissions as may be approved by such official.

Section 6. The Mayor, the City Manager or the Finance Director is authorized and directed to cause the Preliminary Official Statement to be brought into the form of a final official statement (the "Final Official Statement") and to execute said Final Official Statement, dated as of the date of the sale of the 1991 Certificates, and a statement that the facts contained in the Final Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the 1991 Certificates, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the 1991 Certificates, and does not, as of the date of delivery of the 1991 Certificates, contain any untrue statement of a material fact with respect to the City or omit to state material facts with respect to the City required to be stated where necessary to make any statement made therein not misleading in the light of the circumstances under which it was made. The Mayor, the City Manager or the Finance Director shall take such further actions prior to the signing of the Final Official Statement as are deemed necessary or appropriate to verify the accuracy thereof. The execution of the final Official Statement, which shall include such changes and additions thereto deemed advisable by the Mayor, the City Manager or the Finance Director and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the final Official Statement by the City.

Section 7. The Final Official Statement, when prepared, is approved for distribution in connection with the offering and sale of the 1991 Certificates.

Section 8. The Mayor, the City Manager, the Finance Director, the City Clerk and all other appropriate officials of the City are hereby authorized and directed to execute such other

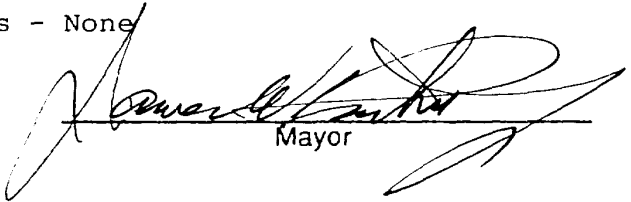
agreements, documents and certificates as may be necessary to effect the purposes of this resolution and the financing herein authorized.

Section 9. This Resolution shall take effect upon its adoption by this City Council.

I, the undersigned City Clerk of the City of Lodi, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the City Council of the City at a meeting thereof on the 4th day of December, 1991, by the following vote of the members thereof:

AYES:	Council Members - Hinchman, Pennino, Sieglock, Snider and Pinkerton (Mayor)
NOES:	Council Members - None
ABSTAIN ED:	Council Members - None
ABSENT:	Council Members - None

ATTEST:


Mayor


City Clerk